



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

January 28, 2008

TO: File

From: Jan Morse, Engineering Technician

RE: Reduced Bonding Amount, Meyer Construction, Inc.'s Mossy Rock Mine S/039/0025

Meyer Construction, Inc. has proposed a small mining operation to collect surface rock (building stone) to be used for landscaping. The proposed operation removes rock from the surface to a depth of 3-4 feet. Minimal regrading is required after the rock is extracted. Regraded areas would be seeded.

Applying the Division's third-party costs to regrading and seeding (with a 5-year escalation), the calculated amount to reclaim this area would be \$983.00/acre (\$1,000) plus the \$2,000 for equipment mobilization. The operator has proposed a \$7,000 bond (cash) for this 5-acre site. His proposal is what the Division would have calculated for this project.

It is proposed that the Division accept the proposed \$7,000 surety for this project.

O:\M039-Sanpete-S0390025-MossyRock\bond\memo-bond amount-01282008.doc